

TENNESSEE ALCOHOLIC BEVERAGE COMMISSION

Minutes
July 16, 2008
1:30 p.m.

The regular meeting of the Tennessee Alcoholic Beverage Commission was held on Wednesday, July 16, 2008 in Nashville, Tennessee at 1:30 p.m. Chairman John Jones and Commissioner Harlan Mathews were present. Although Commissioner Cynthia Bond was not in attendance, a quorum was present and the meeting was held. Executive Director Danielle Elks and CLEO Mark Hutchens were present.

- 1. The Minutes for June 19, 2008 Commission Meeting were approved.**
- 2. RETAIL**

A. RIVERSIDE LIQUORS
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)

Seller/Licensee: Donnelly & Smith, Inc.
Stockholder: Gary Smith
Applicant: Chetanabe Amin

Before the Commission is a request for a transfer of ownership of the store located at 3000 Clarksville Pike, in Nashville, Tennessee. Ms. Chetanabe Amin intends to initially invest \$200,000 to operate the business and if approved, operate the business as a sole proprietorship. Financing is based upon a loan with Harish Patel in the amount of \$200,000. The source of this money is a home equity line of credit with SunTrust Bank. Purchase price for the business is \$65,000 plus inventory. The applicant is leasing the property from Donnelly and Smith Enterprises, Inc. for a period of 5 years beginning at \$1683/month and increasing to \$2350 through the end of the term. It should be noted that the applicant's husband owns and operates Lakewood Liquors in Old Hickory, Tennessee. All documentation has been submitted, with the exception of the following:

- a. TABC Inspection.
- b. Acknowledgment of the rules/regulations.

Discussion/Action Taken:

Chetanabe Amin was present at the meeting. Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the final TABC inspection and the Acknowledgment of the rules/regulations. Commissioner Mathews made a motion to approve upon submission of the pending documentation. Chairman Jones seconded the motion and it was approved with 2 ayes.

**B. LIQUOR LOCKER AND WINE SHOPPE
TULLAHOMA, TENNESSEE (COFFEE COUNTY)**

Licensee/Seller: Jacksons Wine and Spirits, Inc.
Stockholders: Donald Jackson
Applicant/Buyer: DCD Enterprises, Inc.
Stockholder: Jeff and Jaie Damron

Before the Commission is a request for a transfer of ownership of the retail store located at 500 N. Jackson Street, in Tullahoma, Tennessee. Jeff and Jaie Damron wish to purchase the retail store for \$250,000 plus the cost of inventory—as well as \$600,000 for the property (and another piece of property). If approved, the business will be operated as a corporation. Financing for the property is based upon a promissory note with Donald and Vanessa Jackson. All documentation has been submitted with the exception of the following:

- a. Promissory Note for property;
- b. Financing source for the \$250,000.

Discussion/Action Taken:

Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the Promissory Note for property and financing source for the \$250,000. Commissioner Mathews made a motion to approve upon submission of the pending documentation. Chairman Jones seconded the motion and it was approved with 2 ayes.

3. WHOLESALERS

**A. 100% ITALIANO, INC.
NASHVILLE, TENNESSEE (DAVIDSON COUNTY)**

Licensee: 100% Italiano, Inc.
Stockholders: Maria Pia DePasquale

Before the Commission is a request for a transfer of location of the wholesale business currently located at 325 Plus Park Boulevard, Suite 203. This wholesaler was initially licensed in January, 2008. The new proposed location is 325 Plus Park Boulevard, Suite 203A. The request is based upon the need for a larger location. All documentation has been submitted with the exception of the following:

- a. TABC Inspection;
- b. Use and Occupancy Permit.

Discussion/Action Taken:

Charles Reed, Attorney, and Andrea Danti were present at the meeting. Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the Use and Occupancy Permit. Commissioner Mathews made a motion to approve upon submission of the pending documentation. Chairman Jones seconded the motion and it was approved with 2 ayes.

4. WINERIES

**A. TENNESSEE VALLEY WINERY
LOUDON, TENNESSEE (LOUDON COUNTY)**

Licensee: Tennessee Valley Winery, Inc.
Stockholders: Jerry K. Reed; Jerry T. Reed; Christine
Kimmins; John Smook
New Stockholders: Cameran Birkholz

Before the Commission is a request for a transfer of stock ownership. Jerry T. Reed (24.5%) and Christine Kimmins (24.5%) wish to sell their stock to the remaining stockholders and to Cameran Birkholz so that the resulting percentage of ownership would be as follows: Jerry K. Reed—53.13%; John Smook--32.6%; and Cameran Birkholz—14.24%. Ms. Birkholz intends to invest \$50,000, based upon a loan from her father-in-law, Bill Birkholz. All documentation has been submitted with the exception of the following:

- a. Bill of Sale;
- b. Loan document

Discussion/Action Taken:

Director Elks reviewed the application to the Commissioners and recommended approval upon submission of the Bill of Sale and Loan Document. Commissioner Mathews made a motion to approve upon submission of the pending documentation. Chairman Jones seconded the motion and it was approved with 2 ayes.

4. SERVER/EMPLOYEE PERMITS

A. WILLIAM VINSON

MINUTES FOR THE JULY 16, 2008 COMMISSION MEETING – PAGE 4

On or about May 30, 2008, TABC staff denied Mr. Vinson's application for an employee permit based upon an October 21, 2002 conviction for the sale of alcoholic beverages to a minor. T.C.A. §57-3-703 prohibits the issuance of an employee permit if the applicant has been convicted of any crime involving the sale or distribution of alcohol during the eight years prior to the date of the application. The applicant has appealed the denial of his application.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commission. Director Elks stated that William Vinson had requested a hearing and the staff sent him a letter informing him of the date and time of the Commission meeting. Director Elks requested a motion for default judgment and then a request to uphold the denial of the employee permit. Commissioner Mathews made a motion for default judgment. Chairman Jones seconded the motion and it passed with 2 ayes.

Commission Mathews made a motion to uphold the staff's denial of the employee permit. Chairman Jones seconded the motion and it passed with 2 ayes.

B. JOE BLANKINSHIP

In May, 2008, TABC staff denied Mr. Blankenship's application for an employee permit based upon a 2006 conviction for the sale of alcoholic beverages to a minor. T.C.A. §57-3-703 prohibits the issuance of an employee permit if the applicant has been convicted of any crime involving the sale or distribution of alcohol during the eight years prior to the date of the application. The applicant has appealed the denial of his application.

Discussion/Action Taken:

Director Elks reviewed the matter to the Commission. Director Elks stated that Joe Blankinship is represented by Andre Mathis. Mr. Mathis had sent a letter to the staff requesting the matter be placed on the July 16 Commission meeting. Director Elks stated the staff sent Mr. Mathis a letter informing him of the date and time of the Commission meeting. Director Elks stated that although she has not spoken with Mr. Mathis, she believes Mr. Mathis thinks the Commission meeting is on July 17. Therefore, Director Elks requested that the matter be continued to the August 14 Commission meeting. Commissioner Mathews made a motion to continue the matter to the August 14 Commission meeting. Chairman Jones seconded the motion and it passed with 2 ayes.

- 5. BUDGET
- 6. CONSENT ORDERS
- 7. PENDING MATTERS LIST
- 8. MISCELLANEOUS

Discussion on Joint Ownership/Family Owned Retail Stores

Discussion/Action Taken:

Director Elks informed the Commission there were two applications (Murphy's Package Store in Knoxville and an application pending in the Chattanooga Office) that may have family connections. Based upon the foregoing, Commissioner Mathews stated that it was his recommendation for the staff to issue a letter to the Attorney General's office asking for guidance and interpretation of the statute limiting participation of multiple family owned retail package stores. Commissioner Mathews recommended that the Commission review the two applications currently pending when complete; however, that no other applications be reviewed by the Commission if the issue of family-owned stores is involved. This restriction would remain in effect until the Attorney General's Office issues its Opinion. Commissioner Mathews made a motion to approve upon submission of the pending documentation. Chairman Jones seconded the motion and it was approved with 2 ayes.

- 9. **DATE OF NEXT MEETING** – Thursday, August 14 and Wednesday, September 17, 2008 at 1:30 p.m.

John A. Jones

Shari Danielle Elks
Executive Director